

Dear State CSBG Administrators,

FY 2011 Budget

Congress left last week for its July Fourth recess having failed to complete action on a number of priorities, primarily because of continuing concerns about federal deficits. More specifically, because of deficit concerns, House Democrats were unable to assemble a formal budget resolution this year. However, before leaving they did adopt a beefed-up “deeming” resolution for FY 2011. **The one-year House budget plan (H Res 1493) sets a top-line discretionary spending level for FY 2011 and allows \$4 billion less for the year than the Senate budget would.**

FY 2011 Appropriations

House Appropriations managed to move half of its 12 bills through subcommittee before the recess, with five of the markups being held last week. **The remaining spending bills, including the Labor, HHS, Education bill (which includes funding for CSBG), will be considered when lawmakers return from recess.** Moreover, the Senate is expected to begin markups of its spending bills after the recess. Senate markups had been expected last week, but the death of longtime appropriator Robert C. Byrd (D-WV), caused all action to be postponed.

Notably, public concern about federal spending and deficits means that few spending bills will see House or Senate floor time this year. The expectation is that most work will be wrapped up in a post-election lame-duck session.

Extenders Bill

The broad “extenders” package, which includes an extension of unemployment insurance (UI) benefits, remains stalled and the situation is unlikely to get much better when lawmakers return from the recess. War funding for the Pentagon has also been sidetracked by the deficit issue, with Democrats trying to use the war funding bill to carry increases in domestic funding for a number of programs they say are important to creating or preserving jobs.

(Source: Congressional Quarterly)

We will keep you informed as things progress.